

**UNITED STATES DISTRICT COURT
FOR THE MIDDLE DISTRICT OF NORTH CAROLINA
CASE NO. 20-cv-954-WO-JLW**

FARHAD AZIMA,

Plaintiff,

v.

NICHOLAS DEL ROSSO and VITAL
MANAGEMENT SERVICES, INC.,

Defendants.

**PLAINTIFF’S NOTICE OF
RECENT DEVELOPMENTS**

Plaintiff writes to provide notice to the Court regarding recent developments in *Ras Al Khaimah Invest. Auth. v. Farhad Azima*, [2020] EWHC 1327, Case No. HC-2016-002798 (the “U.K. Proceedings”) that are relevant to two pending motions related to privilege claims made on behalf of a third-party, Ras Al Khaimah (“RAK”).

In February, the Special Master ruled in Decision No. 1 that RAK had to appear to assert privilege or risk waiving. *See* ECF No. 316 at 17. Defendants appealed and sought a stay. *See* Defs.’ Appeal, ECF No. 320; *see also* Pl.’s Resp. to Defs.’ Appeal, ECF No. 322. The Court did not grant a stay, but RAK still refused to appear as ordered by the Special Master. Defendants’ appeal of the Special Master’s order remains pending before this Court.

In May, the Special Master declined in Decision No. 7 to apply the crime-fraud exception to RAK’s engagement with Dechert. *See* ECF No. 355 at 27.

Plaintiff appealed the Special Master’s decision, arguing both that the ruling failed to consider that RAK waived any purported privilege by failing to appear as ordered and that the crime-fraud exception should apply to certain documents. See ECF No. 358 at 6-7, 19.

Recent developments in the U.K. implicate both of these appeals. In June, the U.K. court issued a worldwide freezing injunction against RAK to stop it from evading U.K. court orders which obligate RAK to pay Mr. Azima more than £20 million for its role in hacking him. See Ex. 1, June 11, 2024, Freeze Injunction Order; *see also* Ex. 2, June 24, 2024, Judgment and Ruling Maintaining Injunction. In issuing its preliminary freezing injunction, the U.K. court said that:

RAKIA has behaved dishonestly and fraudulently, obtaining judgments from this court by fraud and mounting a full scale operation to hack Mr Azima’s private and confidential information. Its behaviour throughout the case has been shown to be dishonest and since it has backed out of the proceedings it has failed to pay any of the orders made against it, despite it saying that it will ensure that any judgments entered against it are satisfied.

See Ex. 3, June 10, 2024, Judgment ¶ 12, *Ras Al Khaimah Invest. Auth. v. Farhad Azima*, [2024] EWHC 1511 (Ch), Case No. HC-2016-002798. The Court also found that RAK “is taking steps to make itself judgment-proof” by engaging in “sham” transactions to sell off assets that Mr. Azima could have used to satisfy his judgment against RAK. *Id.* ¶ 13. The Court noted that RAK

refused to appear to object to the freezing order, Ex. 2 ¶ 7, similar to the approach they have taken in this case.

The U.K. Court ruling and the worldwide injunction against RAK are additional evidence supporting Plaintiff's contention that RAK's refusal to appear before this Court was intentional and resulted in a waiver of privilege. RAK should not be permitted to continue to disregard court orders. In addition, the U.K. Court judgment supports Plaintiff's argument that, even if privilege has not already been waived by RAK's failure to appear, the crime-fraud exception should apply to work conducted on behalf of RAK, particularly related to the "full scale operation to hack Mr Azima's private and confidential information" and RAK "dishonestly and fraudulently" misleading U.K. courts. Ex. 3 ¶ 12.

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This, the 1st day of July, 2024.

WOMBLE BOND DICKINSON (US) LLP

/s/ Ripley Rand

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CERTIFICATE OF WORD COUNT

The undersigned certifies compliance with Local Rule 7.3(d) regarding length limitations. This Notice contains fewer than 6,250 words. The undersigned has relied on the word count feature of Microsoft Word 365 in making this certification.

This the 1st day of July, 2024.

/s/ *Ripley Rand*

Ripley Rand
Counsel for Plaintiff

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CERTIFICATE OF SERVICE

I hereby certify that I electronically filed the foregoing with the Clerk of Court using the CM/ECF system, which will send electronic notification of this Notice to the following attorneys:

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This, the 1st day of July, 2024.

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